

3. MID-YEAR PERFORMANCE REVIEW OF THE 2019/20 CORPORATE PLAN

- 3.1 There were 51 key activities (KAs) in the 2019/20 Corporate Plan. As at 30 September 2019, six KAs were completed and 45 KAs were on schedule, on-going or partially completed. The mid-year performance review of each of the Programmes of Activities of HA's main operations was reported to HA via Paper No. SHC 54/2019 (for subsidised housing), CPC 28/2019 (for commercial properties), BC 71/2019 (for building control), BC 72/2019 (for development and construction), TC 101/2019 (for procurement) and FC 40/2019 (for corporate services) respectively. The overall progress is recapitulated below.

Theme 1: Providing Quality Homes

Construction and development of public housing

- 3.2 The goal for 2019/20 was to construct about 13 800 PRH/Green Form Subsidised Home Ownership Scheme (GSH) flats and about 4 400 Other SSFs. Based on the Housing Construction Programme (HCP) as at September 2019, we completed the construction of about 2 500 PRH/GSH flats and about 1 700 Other SSFs in the first half of 2019/20. We anticipated that a total of about 13 000 PRH/GSH flats and 4 400 Other SSFs would be completed in 2019/20.
- 3.3 We continued to hold regular meetings with Government bureaux and departments concerned to identify and endorse potential sites for public housing development; agree on the programme of comprehensive studies for selected sites; and facilitate and advance site availability for public housing development. We also endeavoured to optimise the development potential of public housing sites through implementing the policy approved by Executive Council in December 2018 allowing the domestic plot ratio at the selected zones to increase by 10% (i.e. up to maximum 30% increase in total), and relaxing building height and non-building areas where technically feasible. In order to expedite the construction of housing units, we continued to implement a series of measures, including the use of standardised precast elements in suitable projects, streamlining joint survey at foundation / building interface, and standardising falsework details, etc.

- 3.4 We continued to strive to optimise site potential and maximise the supply of flats, and adopt comprehensive planning and site-specific design for all domestic blocks in new projects to best respond to site conditions, utilise plot ratio and maximise flat production. We had taken the views of the local community and the requirements of the Government departments into consideration in project planning and design stage, so as to provide the essential welfare facilities while optimising the development potential.
- 3.5 In order to promote a green and healthy environment, as well as to gain gross floor area concessions for some projects, we registered four new works projects with the Hong Kong Green Building Council (HKGBC) for assessment and rating under the Building Environment Assessment Method Plus (BEAM Plus) Scheme^[3] in the first half of 2019/20.
- 3.6 In the first half of 2019/20, we continued to adopt environmentally responsive planning and design and conducted “micro-climate” studies in 31 on-going projects and Air Ventilation Assessment in 19 on-going projects. The findings were applied in the design. We continued to use acoustic windows, balconies, fins and noise barriers in suitable projects in accordance with site-specific characteristics to mitigate noise. Furthermore, we conducted Carbon Emission Estimation for three projects in the first half of 2019/20, and would implement it in all projects in the design stage.
- 3.7 We continued to maintain building sustainability and meet statutory requirements by implementing various maintenance and improvement programmes. In order to ensure building safety in aged PRH estates, we scheduled to complete plan submission under the Fire Safety (Buildings) Ordinance for 34 blocks of PRH estates. As at 30 September 2019, 26 blocks had been completed. We also planned to participate in the “Quality Water Supply Scheme for Buildings – Fresh Water (Management System)” of the Water Authority in 28 PRH estates. As at 30 September 2019, 19 of them had already participated in the scheme.

Management and maintenance of public housing

- 3.8 We continued to implement the Comprehensive Structural Investigation Programme for PRH estates aged around 40 years as scheduled to ascertain the state of structural safety and the Total Maintenance Scheme in 19 estates including the implementation of the Mandatory Window

Note [3] BEAM Plus is a comprehensive environmental assessment scheme for buildings recognised by HKGBC. The BEAM Plus assessment scheme includes six aspects of a project (i.e. Site Aspects, Energy Use, Indoor Environmental Quality, Materials Aspect, Water Use, Innovations and Additions). A rating would be issued to the project according to the scoring after the assessment.

Inspection Scheme in three estates and the Responsive In-flat Maintenance Services in all PRH estates. Under the Lift Modernisation Programme, we had completed the replacement of 22 old lifts as at 30 September 2019 against the target of 42 in the year. For the Collapsible Gate Enhancement Programme, 13 000 units had been approached for joining this voluntary replacement programme as at 30 September 2019. Moreover, we had rolled out the Laundry Rod Addition Programme to install laundry rods outside living rooms in specified PRH block types.

- 3.9 With a view to achieving the highest site safety standards, striving for continuous improvements and promoting a culture of safety, we had successfully migrated the Occupational Health and Safety Assessment Series 18001 to ISO 45001:2018 Occupational Health and Safety Management System (OHSMS) for planned maintenance and improvement works. The new certificate of ISO 45001 OHSMS for planned maintenance and improvement works was received in July 2019.
- 3.10 We continued to conduct annual internal audits to maintain the respective certification on ISO 14001 for Environmental Management System and ISO 50001 for Energy Management System. Moreover, the seventh Carbon Audit Report for 14 typical domestic block types to monitor energy consumption was under preparation.

Provision of PRH and SSFs

- 3.11 Up to 30 September 2019, about 7 000 PRH units were allocated to PRH applicants. The average waiting time (AWT)^[4] for general applicants (i.e. family and elderly one-person applicants) was 5.4 years as at 30 September 2019. We will continue to strive to achieve the target of providing the first offer to general applicants at around three years on average in the long run.
- 3.12 We continued to address the home ownership aspiration of low to middle-income families through various subsidised housing schemes. The Sale of the Home Ownership Scheme (HOS) Flats 2019 with introduction of e-Submission was launched in late May 2019. The ballot was drawn on 15 August 2019 and flat selection was scheduled to commence in November 2019.

Note [4] Waiting time refers to the time taken between registration for PRH and the first flat offer, excluding any frozen period during the application period (e.g. when the applicant has not yet fulfilled the residence requirement; the applicant has requested to put his/her application on hold pending arrival of family members for family reunion; the applicant is imprisoned, etc.). AWT refers to the average of the waiting time of those general applicants who were housed to PRH in the past 12 months.

- 3.13 The White Form Secondary Market Scheme (WSM) 2019 with introduction of e-services for submission of application was launched in late May 2019. Approval letters were issued to successful applicants in December 2019. For the Sale of GSH Flats 2019, around 3 700 flats were put up for sale by the end of 2019 and we had launched the e-services for GSH application submission by December 2019.
- 3.14 A full range of publicity was organised at the launch of HOS/WSM 2019 in May 2019. In order to tie in with the introduction of e-service for submission of applications, promotion videos and online demonstration videos were produced to publicise the new submission channel.

Theme 2: Promoting Sustainable Living

Relationship management with stakeholders

- 3.15 We continued to strive to enhance community bonding and attend to tenants' needs. The Estate Management Advisory Committees (EMACs) continued to partner with non-governmental organisations (NGOs) to hold functions to promote neighbourliness in PRH estates and deliver caring and outreaching services for elderly tenants so as to attend to their needs. On an estate management level in enhancing family cohesion, there had been a cumulative total of 59 090 households benefited from the Harmonious Families Policies. The "Making Precious Memories - Life in Public Housing" Short Video Contest which promoted community living in PRH estates was completed. The award presentation ceremony for the Contest was held in June 2019.
- 3.16 We also continued to widely publicise the Rent Assistance Scheme to raise the awareness of PRH tenants for helping families in need. The messages were disseminated through various channels such as broadcasting on radio and Housing Channel, posters, leaflets, estate newsletters, YouTube, "iHousing" Mobile App and promotion via HA/HD website and EMAC meetings. Estate staff also solicited support from NGOs, District Council members and EMAC members to refer tenants in need to estate office for rent assistance.
- 3.17 We continued to value the views and feedback from tenants on the planning and design of housing estates. We continued to conduct community engagement activities, including engagement workshops, as well as forums and meetings, to present development proposals and obtain feedback on the planning and design of projects, and surveys to gauge the residents' views in every newly completed estate. As at September 2019,

we recorded an overall Customer Satisfaction Index of 89.9% for completed new estates.

- 3.18 In order to secure competent and reliable business partners, we continued to strive to improve our procurement practices and raise service standards, by implementing tendering scoring measures for tender assessments and ensuring a competent workforce. We continued to employ a two-envelope tendering system for complex building and foundation contracts. Moreover, we had been applying the Performance Assessment Scoring System to our various new works contracts. The Preferential Tender Award System had been implemented for District Term Contracts. We also continued to require every works contractor to submit statutory declaration when applying for admission to or annual retention on HA Lists of Works Contractors.

Promotion of greening, social inclusion and safety

- 3.19 With a view to promoting greening in PRH estates, we continued to organise activities to raise the environmental awareness of PRH residents. As at 30 September 2019, we had completed tree planting day activities in seven targeted estates and arranged landscape improvement works in nine estates. The tree planting day activities of the remaining three estates and the landscape improvement works of the remaining 11 estates were under planning or in progress. “Green Delight in Estates” programme^[5] Phase 12 commenced in January 2019 and the post-programme resident environmental survey was also completed in the third quarter of 2019. Two refresher/training courses were organised for Estate Tree Ambassadors in order to provide them with the basic knowledge on identifying suspected problematic trees within the estates. We continued to conduct an annual tree risk assessment exercise and update the tree database records for effective tree management through a computerised Enterprise Tree Management System. We also held greening activities for community participation in six estates and targeted to hold such activities in the other 14 estates in the year.
- 3.20 In developing new PRH estates, we are mindful of socio-spatial equity for users of all abilities, as well as elements of social cohesion and sustainability. We continued to adopt universal design principles in the design and planning of community facilities and domestic flats. We also continued to provide Integrated Community Play Areas for all ages and

Note [5] “Green Delight in Estates” programme is a community environmental education programme organised by HA in partnership with green groups to raise environmental awareness among PRH residents and to instill a culture of protecting and improving the environment.

abilities, and implement barrier free access to block entrances, strategic estate facilities and transportation nodes.

- 3.21 We continued to monitor the safety management system for construction sites to ensure its effectiveness in the prevention of accidents. We devised and implemented improvement measures for the system as necessary. We also continued to conduct safety training, forum and seminars, issue circulars, organise award ceremony and support territory wide safety campaigns regularly to engage stakeholders and promote the best safety practices. Our relentless efforts resulted in a zero fatal accident up to end-October 2019 and an accident rate of 6.1 and 10.7 per 1 000 workers for new works contracts and maintenance contracts respectively based on data up to the second quarter of 2019.

Theme 3: Optimising and Rationalising the Use of Public Resources

HA's public housing resources

- 3.22 In light of the increasing demand for PRH, we continued to make much effort in safeguarding the rational and efficient use of public housing resources. As at 30 September 2019, we had completed Biennial Inspection (BI) on some 307 000 PRH flats in the current BI cycle, which started in November 2018. Intensive checking by the Public Housing Resources Management Sub-section on some 6 000 income and assets declaration cases and rigorous investigation on some 6 600 randomly selected occupancy-related and suspected tenancy abuse cases were in good progress.
- 3.23 In addition to the intensified investigation measures, we had launched various publicity and outreaching activities to enhance public awareness of providing PRH flats to those with pressing needs. We launched a Kick-off Ceremony at the Domain on promoting “Cherish Public Housing Resources” on 26 September 2019 and conducted outreaching visits to EMACs of six estates to promote cherishing public housing resources. Fun Fairs with game booths, photo taking and balloon distribution to 28 PRH estates in various districts to reinforce the deterrence and encourage reporting of abuse would be conducted from October 2019 to January 2020.
- 3.24 To improve the living condition of sitting tenants, we invited applications for the Territory-wide Overcrowding Relief Exercise / Living Space Improvement Transfer Scheme in September 2019. Flat selection would start from January 2020. With a view to providing housing to applicants with genuine housing needs, the Subsidised Housing Committee (SHC) endorsed at its meeting on 21 June 2019 the implementation of a trial for

a new initiative whereby under-occupation households with all family members aged 70 or above would be given an option to enjoy full rent exemption upon their transfer to PRH units of suitable sizes.

- 3.25 Taking into account the operational experience of the Hong Kong Housing Society's (HKHS) "Letting Scheme for Subsidised Sale Developments with Premium Unpaid" (Letting Scheme), SHC agreed at its meeting on 29 July 2019 for HA to join HKHS' Letting Scheme on a trial basis, allowing eligible owners of HA's SSFs to let their flats with premium unpaid to eligible PRH applicants. The enhanced Letting Scheme was open for applications by eligible owners and tenants from 18 November 2019 and on 9 December 2019 respectively.
- 3.26 To facilitate HKHS' "Flat-for-Flat Pilot Scheme for Elderly Owners", SHC approved at its meeting on 21 June 2019 to allow eligible elderly owners of HKHS' SSFs who have sold their original flats with premium unpaid to buy a smaller one in HA's Secondary Market. HKHS had started receiving applications of the "Flat-for-Flat Pilot Scheme for Elderly Owners" since 14 October 2019.

HA's financial, human and IT resources

- 3.27 We continued to benchmark the average construction cost of HA's residential buildings against those in the private sector. We continued to closely monitor the construction cost per flat in PRH/GSH and SSF developments against the respective alert levels at feasibility study stage in order to achieve cost effectiveness. For projects with construction cost per flat exceeding the alert level, HA's Strategic Planning Committee will consider factors contributing to the higher unit cost and make a conscious decision of whether to include the sites in HA's HCP.
- 3.28 In respect of funds management, an annual health check on HA's Strategic Asset Allocation was conducted. Having consulted and taken into account the advice of the Funds Management Sub-Committee (FMSC), we reported the findings and recommendations to the Finance Committee (FC) in July 2019. Actions were taken in accordance with the FMSC's advice to implement the recommendations as approved by the FC.
- 3.29 In order to meet the public housing supply target, further to the creation of 820 additional civil service posts between 2012/13 and 2018/19, 45 posts had been secured in 2019/20. We will continue to monitor the manpower situation and make the most effective use of human resources through re-engineering of work processes, redeployment of staff and re-prioritisation

of tasks, and bid for additional manpower where necessary.

- 3.30 The HD has been engaging supplementary workforce, viz. body-shopped personnel, term staff and staff employed under the Government's Post-retirement Service Contract (PRSC) Scheme to meet special and/or temporary job needs. As at 30 September 2019, we had engaged 1 305 body-shopped personnel, 61 term staff and six PRSC staff. We will continue to make flexible use of supplementary workforce to cope with periodic peaks of workload.
- 3.31 As one of the measures to support staff development, we continued to organise the Development Scheme for Senior Professionals to provide the participants with opportunities to take up responsibilities beyond their professional boundary. Besides, national studies courses, overseas attachment programmes, and Housing Department Development Programme had been arranged to broaden staff's perspectives. Other measures to facilitate succession management (e.g. two five-day internal attachment programmes) had been implemented.
- 3.32 On the IT front, the migration of applications from the existing HA Information Technology Architecture platform to the new HA Cloud Computing Infrastructure commenced in early 2019. The disaster recovery services for mission critical applications in HA and the new round of one-stop personal computer support and helpdesk services commenced in June 2019. The implementation of the second generation of e-Housing and the upgrade of the Internet proxy services were completed in September 2019.

Theme 4: Enhancing the Attractiveness of Commercial Properties

- 3.33 During the first six months of 2019/20, we continued to identify asset enhancement opportunities through feasibility studies and Strengths-Weaknesses-Opportunities-Threats analyses. The improvement works for Shek Pai Wan Shopping Centre were completed while the feasibility studies and improvement works for Lei Muk Shue, Cheung Shan and Choi Tak Shopping Centres as well as Shek Kip Mei and Pok Hong Markets were in good progress. For better use of resources, we also continued to review the utilisation of storerooms and other spaces and consider converting them into domestic flats or welfare, retail or other non-domestic uses where feasible and appropriate. In support of the Government's effort to increase car parking spaces, we continued to seek opportunities to create additional parking spaces in existing carparks and estates subject to technical feasibility, necessary approvals and local views.

- 3.34 We continued to maintain a balanced and diversified trade mix according to market trend and increased shopping choices and variety of services to our residents and the local community. We also continued to collaborate with the three major banks and arranged mobile bank branches in 25 estates to serve our tenants. In view of the popularity of online shopping and the growing need of logistics services, 44 sets of parcel lockers had been set up in various estates. Moreover, we had liaised with the Government for the provision of free Wi-Fi service in HA's major shopping centres.
- 3.35 Through well-planned leasing arrangements, we were able to enhance the utilisation of resources and maintained the vacancy rates at a low level of 1.2% for retail facilities and 1.1% for shopstalls and cooked food stalls as at end September 2019. However, the vacancy rate of factory estates increased and slightly exceeded the target of below 1% due to the freezing of letting of vacant factory units pending studies for improvement works to meet the requirements when the Fire Safety (Industrial Buildings) Bill is enacted. We are actively exploring whether individual factory estate sites could be developed for public housing use under suitable conditions and arrangements.
- 3.36 With a view to enhancing shopping ambience and sustaining competitiveness of neighbourhood shopping centres and major retail facilities in HA's estates, packaged promotion programmes and festive decorations had been launched continuously during major festivals or special days for attracting shoppers and increasing footfalls. In addition, a celebration ceremony was launched to mark the opening of Yan Tin Shopping Centre, enhancing its shopping atmosphere and boosting retail sales.
- 3.37 Domain had maintained its positioning and competitiveness as HA's regional shopping mall. A full range of special themed events, tailor-made promotional activities and dynamic events were held to maintain its popularity and attractiveness. Short-term lettings of kiosks, roadshows and festive trade fairs were regularly arranged to widen the choice of products and services for shoppers, bringing new and relaxing shopping experience to customers. Moreover, in collaboration with various mass media, renowned brands, Government departments and NGOs, a total of 33 community events / activities were held in Domain to enhance publicity and promote HA's image.

- 3.38 In order to promote green measures in operating HA's retail facilities, we continued to join the Energy Saving Charter^[6] and Charter on External Lighting^[7] for some of our shopping centres. We continued to invite shop tenants to join the Charter on External Lighting and the response has been positive and encouraging. We launched a promotional programme titled "Plastic-Free" in five shopping centres^[8]. Furthermore, in order to promote food waste reduction, we continued to join the Government's Food Waste Collection Pilot Scheme for nine of our shopping centres / markets^[9]. Tenants of restaurants, supermarkets and market stalls were encouraged to participate in food donation schemes organised by various NGOs. We continued to encourage our shop tenants to incorporate sustainable green measures in their daily operations.
- 3.39 In addition to the electric vehicle (EV) charging facilities already provided to hourly users in the new and existing car parks, EV charging facilities at existing car parks were installed for monthly users on need basis. Moreover, in support of Government's initiatives to further promote the use of EV, installation of 12 medium chargers at hourly parking spaces in Domain, Tak Long Estate and On Tat Estate would be completed by March 2020.

Note [6] Ten shopping centres have joined the Energy Saving Charter, namely Choi Tak, Hoi Lai, Kwai Chung, Lei Muk Shue, Mei Tin, On Kay, Tin Yan and Yau Lai Shopping Centres, Shui Chuen O Plaza and Domain, to maintain an average indoor temperature between 24 to 26 degrees Celsius in the summer months.

Note [7] Ten shopping centres have joined the Charter on External Lighting, namely Cheung Lung Wai, Ching Long, Choi Tak, Hung Fuk, Kwai Chung, Nam Shan, Yau Lai and Wah Fu (II) Shopping Centres, Choi Ying Place and Domain, to switch off lighting installations for decorative, promotional or advertising purposes from 11 p.m. to 7 a.m. of the following day.

Note [8] The five shopping centres are namely Ching Long, On Tai and Yau Lai Shopping Centres as well as Domain and Shui Chuen O Plaza.

Note [9] These shopping centres / markets include Cheung Ching, Ching Long, Kwai Chung, Kwai Shing West, Lai Yiu, Lei Muk Shue, Nam Shan and Wah Fu (I) and (II) Shopping Centres